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South Africa, Republic of

Oilseeds and Products

Annual

2000

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Report Highlights:

After production of 1.4 million tons of sunflower, soybeans and peanuts in 1998, prices suffered and production declined to 695,000 tons in 1999. However, a small increase in production is foreseen for 2000. Soybean meal and sunflower oil imports from Argentina continue to increase unabated. Legislative action on a producer's request for increased tariff protection is still pending. Compound feed production recently reached about 7 million tons, including about one million tons of protein meals of which 50% is soybean meal.

Includes PSD changes: Yes
Includes Trade Matrix: NoSoybean
Annual Report
Pretoria [SF1], SF

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Executive Summary

After South Africa produced record oilseed (sunflower, soybean and peanut) crops in 1998, producer prices suffered. As a result, the 1999 area planted declined by 46.4% and the crop by more than 51% to 695,000 tons. Prices still did not recover fully due to the large carry over but with the current overproduction of corn, production is likely to increase again in 2000.

Soybean meal and sunflower oil imports continue to grow and is expected to increase again in 2001. Local producers have, however, asked for increased import tariffs and the application is still under consideration. Current tariffs are low.

The compound feed sector produces more than 7 million tons of feed annually and is expanding. In the process it consumes more than a million tons of protein meals of which about 50% is soybean meal.

U.S. Dollar 1 = Rand 7.10, 05/31/2000,

Section 1: Situation and Outlook

Oilseeds:

The situation is summarized in the following table;

Product	Planted '98	MY 99/00	Planted '99	MY 00/01	Planted '00	MY 01/02
	Area	Production	Area	Production	Area	Production
	'000 ha.	'000 mt.	'000 ha.	'000 mt.	'000 ha.	'000 mt.
Sunflower	828	1109	389	438	600	600
Soybeans	131	175	94	155	110	165
Peanuts	95	138	82	102	85	100
TOTAL:	1054	1422	565	695	795	865

There is a small production of cottonseed and canola but sunflower-seed is the main oilseed crop. Peanuts are only included for the edible peanut trade and soybeans for the growing role they are expected to play in the future domestic plant protein production. Soybean meal is already the main import product used to satisfy the domestic protein deficit. Since the demise of the controlled agricultural marketing system, oilseeds have been playing a more important role in the local agro industry. The FAS 98 (indicating the year of planting) shows the area planted to sunflower at an all time record. The 62% increase in the 1998 area planted to sunflower was the result of price pressure on corn during 1997 as well as dry weather and predictions of the likely effects of El Nino at planting. The increased area planted led to record crops and depressed prices, with the result that the 1999 area planted to oilseeds dropped by 46.4% and the crops by 51.1% . The cutback in production was excessive and we expect the area to be planted in 2000, and production to increase again.

Local consumption of sunflower is normally about 650,000 tons per annum, after which excessive sunflower meal is produced for domestic demand. Notwithstanding the decrease in plantings this season, the large carry over has led to lower producer prices for the current crop. In spite of the lower 1999 soybean plantings, soybean production in general is expanding. Consumption of soybeans increased over the last few seasons as feed manufacturers increasingly substituted soymeal for fishmeal. This trend was supported by the low world soymeal prices. About 90,000 tons of full fat soy is also used in animal feed annually. The low 1999 domestic production levels and high demand led to an increase of nearly 18% in the producer price compared to the dismal 1998 level.

Despite reduced 1999 peanut plantings, local peanut production is expected to increase slowly over the long term as the local market demand for high quality edible peanuts improves.

The following table contains March 31, 2000 domestic indicator and import parity prices for oilseeds:

Rand/metric ton, 03/31/2000		
Sunflower-seed	Soybeans	Peanuts
Local 1300	1200	3500
Imported 1700 (Argentina)	1700 (US)	6200

The S.A. Rand has been devaluating, on 05/26/2000, it was U.S. Dollar 1= Rand 7.14

Indicative import parity prices are calculated as follows:

	U.S.A.	Argentina	Argentina	Argentina
Forward contract prices, July 2000	Soybeans Gulf	Sunflower Upriver	Soy oil Upriver	Sunflower oil Upriver
F.O.B. value \$/ton	207.79	165.00	314.00	326.00
Freight rate \$/ton	17.00	20.50	38.00	38.00
Insurance \$/ton	0.62	0.50	0.94	0.98
C.I.F. \$/ton	225.41	186.00	352.94	364.98
Rand/ton	1607.17	1326.18	2516.46	2602.31
Financing costs R/t.	19.15	15.81	29.99	31.01
Discharging R/t.	74.58	69.15	88.06	114.73
F.O.R. Durban	1700.90	1411.14	2634.51	2748.05

Unprocessed oilseed imports are limited and mainly from neighboring states. The main trade is in meals and oils. The producers have requested an import duty levy on crude plant oils, but the application is still pending. Current import duties are:

Soybeans 65 cents/kg.
 Soybean meal 6.6%
 Soy oil, crude Free

Sunflower-seed 10%
 Sunflower meal 6.6%
 Sunflower oil, crude Free

Peanuts Free
 Peanut meal 6.6%
 Peanut oil, crude Free

Protein Meals

The protein meal situation can be summarized as follows:

'000 Metric tons	MY 1999/2000	MY 2000/2001	MY 2001/2002
Soy			
Local production	46	64	60
Imports	434	486	525
Supply	480	550	585
Sunflower			
Local production	330	294	246
Imports	20	16	54
Supply	350	310	300
Other, Peanut, cottonseed, canola			
Local production	34	32	34
Imports	76	78	81
Supply	110	110	115
Fish meal			
Local production	65	56	50
Imports	30	34	35
Supply	95	90	85
Total meals			
Local	475	446	390
Imported	560	614	695
TOTAL	1035	1060	1085

Unfortunately CY 1999 trade data have not yet been released but the bulk of the oilseed and products originate from Argentina.

Plant Oils

The situation can be summarized as follows:

'000 metric tons	MY 1999/2000	MY 2000/2001	MY 2001/2002
Sunflower			
Local production	318	284	237
Imported	152	216	263
Supply	470	500	500
Peanut			
Local production	6	6	6
Imported	24	29	29
Supply	30	35	35
Soy			
Local production	10	14	14
Imported	30	26	26
Supply	40	40	40
Other, corn germ etc.			
Local production	28	24	26
Imports (palm oil)	128	136	134
Supply	156	160	160
TOTAL OILS			
Local production	362	328	330
Imports	334	407	405
TOTAL SUPPLY	696	735	735

Section 2: Statistical Tables

Oilseeds

Sunflower-seed

PSD Table						
Country	South Africa, Republic of					
Commodity	Oilseed, Sunflower-seed				(1000 HA)(1000 MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		04/1999		04/2000		04/2001
Area Planted	830	828	385	389	0	600
Area Harvested	828	828	385	389	0	600
Beginning Stocks	5	0	200	253	25	0
Production	1100	1109	450	438	0	600
MY Imports	10	0	10	19	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	1115	1109	660	710	25	600
MY Exports	75	56	25	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	820	785	600	700	0	585
Food Use Dom. Consump.	5	4	5	4	0	5
Feed,Seed,Waste Dm.Cn.	15	11	5	6	0	10
TOTAL Dom. Consumption	840	800	610	710	0	600
Ending Stocks	200	253	25	0	0	0
TOTAL DISTRIBUTION	1115	1109	660	710	0	600
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	56	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Soybeans

PSD Table						
Country	South Africa, Republic of					
Commodity	Oilseed, Soybean				(1000 HA)(1000 MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		04/1999		04/2000		04/2001
Area Planted	135	131	95	94	0	110
Area Harvested	131	131	95	94	0	110
Beginning Stocks	0	0	0	15	0	0
Production	175	175	150	155	0	165
MY Imports	20	15	50	25	0	30
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	195	190	200	195	0	195
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	106	58	111	80	0	75
Food Use Dom. Consump.	60	27	60	25	0	30
Feed,Seed,Waste Dm.Cn.	29	90	29	90	0	90
TOTAL Dom. Consumption	195	175	200	195	0	195
Ending Stocks	0	15	0	0	0	0
TOTAL DISTRIBUTION	195	190	200	195	0	195
Calendar Year Imports	0	21	0	25	0	30
Calendar Yr Imp. U.S.	0	0	0	15	0	15
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	

The crush domestic consumption figures for soybeans have been adjusted, as about 60 to 90,000 tons of full fat soya is used in the feed industry annually, and also included with soybean meal in the feed manufacturers data. It cannot be included in the crush figures as there are no oil produced in the flaking process. The feed, seed and waste domestic consumption figures, do include the full fat soya used in feeding.

Peanuts

PSD Table						
Country	South Africa, Republic of					
Commodity	Oilseed, Peanut				(1000 HA)(1000 MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		03/1999		03/2000		03/2001
Area Planted	145	95	82	82	0	85
Area Harvested	95	95	82	82	0	85
Beginning Stocks	0	0	0	28	0	20
Production	145	138	145	102	0	100
MY Imports	5	3	5	5	0	5
My Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	150	141	150	135	0	125
MY Exports	40	34	45	35	0	35
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	35	14	35	15	0	15
Food Use Dom. Consump.	60	62	55	60	0	60
Feed,Seed,Waste Dm.Cn.	15	3	15	5	0	5
TOTAL Dom. Consumption	110	79	105	80	0	80
Ending Stocks	0	28	0	20	0	10
TOTAL DISTRIBUTION	150	141	150	135	0	125
Calendar Year Imports	0	3	0	5	0	5
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	34	0	35	0	35
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Protein Meals**Sunflower**

PSD Table						
Country	South Africa, Republic of					
Commodity	Meal, Sunflowerseed				(1000 MT)(PERCENT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		04/1999		04/2000		04/2001
Crush	820	785	600	700	0	585
Extr. Rate, 999.9999	0.45	0.420382	0.45	0.42	ERR	0.420513
Beginning Stocks	0	0	0	0	0	0
Production	369	330	270	294	0	246
MY Imports	5	20	5	16	0	54
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	374	350	275	310	0	300
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	374	350	275	310	0	300
TOTAL Dom. Consumption	374	350	275	310	0	300
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	374	350	275	310	0	300
Calendar Year Imports	0	20	0	16	0	54
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Soybean meal

PSD Table						
Country	South Africa, Republic of					
Commodity	Meal, Soybean				(1000 MT)(PERCENT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		04/1999		04/2000		04/2001
Crush	106	58	111	80	0	75
Extr. Rate, 999.9999	0.801887	0.793103	0.810811	0.8	ERR	0.8
Beginning Stocks	0	0	0	0	0	0
Production	85	46	90	64	0	60
MY Imports	350	434	435	486	0	525
MY Imp. from U.S.	0	60	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	435	480	525	550	0	585
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	435	480	525	550	0	585
TOTAL Dom. Consumption	435	480	525	550	0	585
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	435	480	525	550	0	585
Calendar Year Imports	0	350	0	475	0	500
Calendar Yr Imp. U.S.	0	0	0	30	0	50
Calendar Year Exports	0	10	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Peanut meal

PSD Table						
Country	South Africa, Republic of					
Commodity	Meal, Peanut				(1000 MT)(PERCENT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		03/1999		03/2000		03/2001
Crush	35	14	35	15	0	15
Extr. Rate, 999.9999	0.485714	0.571429	0.485714	0.533333	ERR	0.533333
Beginning Stocks	0	0	0	0	0	0
Production	17	8	17	8	0	8
MY Imports	10	2	10	2	0	2
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	27	10	27	10	0	10
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	27	10	27	10	0	10
TOTAL Dom. Consumption	27	10	27	10	0	10
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	27	10	27	10	0	10
Calendar Year Imports	10	2	0	2	0	2
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Fishmeal

PSD Table						
Country	South Africa, Republic of					
Commodity	Meal, Fish				(1000 MT)(PERCENT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Catch For Reduction	0	0	0	0	0	0
Extr. Rate, 999.9999	ERR	ERR	ERR	ERR	ERR	ERR
Beginning Stocks	0	0	0	0	0	0
Production	75	65	75	56	0	50
MY Imports	80	30	80	34	0	35
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	155	95	155	90	0	85
MY Exports	5	0	5	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	80	0	80	0	75
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	150	15	150	10	0	10
TOTAL Dom. Consumption	150	95	150	90	0	85
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	155	95	155	90	0	85
Calendar Year Imports	0	30	0	34	0	35
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	5	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Plant Oils

PSD Table						
Country	South Africa, Republic of					
Commodity	Oil, Sunflowerseed				(1000 MT)(PERCENT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		04/1999		04/23000		04/2001
Crush	820	785	600	700	0	585
Extr. Rate, 999.9999	0.4	0.405096	0.4	0.405714	ERR	0.405128
Beginning Stocks	0	0	0	0	0	0
Production	328	318	240	284	0	237
MY Imports	80	152	150	216	0	263
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	408	470	390	500	0	500
MY Exports	35	0	30	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	373	470	360	500	0	500
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	373	470	360	500	0	500
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	408	470	390	500	0	500
Calendar Year Imports	145	152	0	216	0	263
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	45	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	South Africa, Republic of					
Commodity	Oil, Soybean				(1000 MT)(PERCENT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		04/1999		04/2000		04/2001
Crush	106	58	111	80	0	75
Extr. Rate, 999.9999	0.179245	0.172414	0.18018	0.175	ERR	0.186667
Beginning Stocks	0	0	0	0	0	0
Production	19	10	20	14	0	14
MY Imports	45	30	45	26	0	26
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	64	40	65	40	0	40
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	64	40	65	40	0	40
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	64	40	65	40	0	40
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	64	40	65	40	0	40
Calendar Year Imports	50	30	0	26	0	26
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	South Africa, Republic of					
Commodity	Oil, Peanut				(1000 MT)(PERCENT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		03/1999		03/2000		03/2001
Crush	35	14	35	15	0	15
Extr. Rate, 999.9999	0.371429	0.428571	0.371429	0.4	ERR	0.4
Beginning Stocks	0	0	0	0	0	0
Production	13	6	13	6	0	6
MY Imports	0	24	0	29	0	29
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	13	30	13	35	0	35
MY Exports	4	0	4	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	9	30	9	35	0	35
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	9	30	9	35	0	35
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	13	30	13	35	0	35
Calendar Year Imports	0	24	0	29	0	29
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	6	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Feed summary table

FEED DEMAND				
STRATEGIC INDICATOR TABLES FOR [COUNTRY]				
MEAT PRODUCTION				
		Last Year	Current Year	Out Year Forecast
Calendar Year:	1998	1999	2000	2001
Poultry '000mt.				
Poultry Meat:	1015	1118	1150	1225
Eggs:	368	391	415	440
Pork:	125	123	121	125
COMPOUND FEED SECTOR				
		Last Year	Current Year	Out Year Forecast
Calendar Year:	1998	1999	2000	2001
Compound Feed Capacity '000mt.				
Total Compound Feed Produced	7125	7197	7300	7400
----- by integrated producers	4289	4332	4400	4450
----- by commercial producers	2836	2865	2900	2950
FEED GRAIN USE				
		Last Year	Current Year	Out Year Forecast
Marketing Year:	1998	1999	2000	2001
Corn (Domestic consumption: feed)'000mt.	3670	3535	3650	3670
Other (specify) Sorghum	50	20	25	25
Wheat	46	52	50	50
PROTEIN - ENERGY USAGE				

		Last Year	Current Year	Out Year Forecast
Marketing Year:	1998	1999	2000	2001
Total Protein Meal (feed waste domestic consumption) '000mt.	1080	1125	1150	1175
Soy Bean Meal (feed waste domestic consumption)	399	480	550	585
Other Protein Meal,	495 460		420	415
Fish Meal	96	95	90	85
Palm Crude Oil (feed waste domestic consumption)	N.A.	N.A.	N.A.	N.A.
Full fat soya	90	90	90	90
TRADE (Metric Tonnes)				
		Last Year	Current Year	Out Year Forecast
Calendar Year:	1998	1999	2000	2001
Corn				
Imports:	128,583	454,360	200,000	220,000
Exports:	897,068	567,935	600,000	500,000
Soy Beans				
Imports:	16,931	20,917	25,000	30,000
Exports:	31,110	2,079	2,082	2,000
Soy Bean Meal				
Imports:	379,354	352,388	486,000	525,000
Exports:	1,983	3,482	2,000	3,000
Fish Meal				
Imports:	30,614	36,918	34,000	35,000
Exports:	6,797	4,050	5,000	5,000
Palm Crude Oil				
Imports:	127,753	134,710	140,000	150,000
Exports:	15,453	1,969	2,000	3,000
PROTEIN PRODUCTS TARIFFS AND TAXES		Bound Rate	Applied Rate	Other
	Product	(%)	(%)	Import
Report Year:	Description 1/			Taxes/Fees

0505.90	FEATHER MEAL	0	Free	0
1501.00.00.60	YELLOW GREASE	0	Free	0
1502.00.00.40	INEDIBLE TALLOW	0	Free	0
1511	PALM OIL	82%	12.5 c/kg.	0
1518	ANML/VG FTS & OILS	38%	10%	0
2301.10	MEAT AND BONE MEAL	0	Free	0
2301.20	FISH MEAL	0	Free	